
HOUSE COMMITTEE AMENDMENTS

Amendments proposed by House Committee on Ways and Means to Reengrossed Senate Bill No. 245 by Senator Adley

AMENDMENT NO. 1

On page 1, line 2, after "reenact" delete the remainder of the line and delete lines 3 and 4 in their entirety and from the beginning of line 5, delete "investor tax credit;" and insert the following:

"R.S. 47:6007, relative to tax credits; to provide relative to the motion picture investor tax credit; to provide for issuance of the tax credit for state-certified productions; to provide for the amount of the tax credit; to provide relative to certain definitions; to provide for certain requirements and limitations;

AMENDMENT NO. 2

On page 1, line 8, after "credit;" and before "and" insert the following:

"to provide relative to the promulgation of rules; to delete certain provisions relative to the tax credit for state-certified infrastructure projects; to provide for an effective date;"

AMENDMENT NO. 3

On page 1, line 11, after "Section 1." delete the remainder of the line and delete lines 12 and 13 in their entirety and insert the following:

"R.S. 47:6007 is hereby amended and reenacted to read as follows:"

AMENDMENT NO. 4

On page 1, delete line 15 in its entirety and insert the following:

"A. Purpose. The primary objective of this Section is to encourage development in Louisiana of a strong capital and infrastructure base for motion picture ~~film, videotape, digital, and television program productions~~ production in order to achieve an independent, self-supporting industry. This objective is divided into immediate and long-term objectives as follows:

(1) Immediate objectives are to:

(a) Attract private investment for the production of motion pictures; ~~videotape productions, and television programs~~ in Louisiana.

(b) Develop a tax and capital infrastructure which encourages private investment. This infrastructure will provide for state participation in the form of tax credits to encourage investment in state-certified productions ~~and infrastructure projects~~.

(c) Develop a tax infrastructure utilizing tax credits which encourage investments in multiple state-certified ~~production and infrastructure projects~~ productions.

(2) Long-term objectives are to:

(a) Encourage increased employment opportunities within this sector and increased global ~~competition~~ **competitiveness** with other states in fully ~~developing~~ **utilizing** economic development options within the ~~film and video~~ **motion picture** industry.

(b) Encourage new education curricula in order to provide a labor force trained in all aspects of film and digital production.

~~(c) Encourage development of a Louisiana film, video, television, and digital production and postproduction infrastructure with state-of-the-art facilities.~~

B. Definitions. For the purposes of this Section:

(1) "Base investment" ~~shall mean the actual investment made and expended by:~~

~~(a) A state-certified production in the state as production expenditures incurred in this state that are directly used in a state-certified production or productions.~~

~~(b) A person in the development of a state-certified infrastructure project~~ **means cash or cash equivalent investment made and used for production expenditures in the state for a state-certified production.**

~~(2) "Division" means the division of administration of the office of the governor.~~

~~(3) "Expended in the state" in the case of tangible property shall mean property which is acquired from a source within the state and, in the case of services, shall mean services procured and performed in the state~~ **means an expenditure to lease immovable property located in the state; an expenditure as compensation for services performed in the state; or an expenditure to purchase or lease tangible personal property within the state where the transaction is subject to the state sales or lease tax provisions of Title 47 of the Louisiana Revised Statutes. A transaction that is subject to the state sales or lease tax provisions of Title 47 of the Louisiana Revised Statutes shall include transactions which are also subject to a statutory exclusion or exemption.**

(3) "Expenditure" shall mean actual cash or cash equivalent exchanged for goods or services.

(4) "Headquartered in Louisiana" shall mean a corporation incorporated in Louisiana or a partnership, limited liability company, or other business entity domiciled and headquartered in Louisiana for the purpose of producing nationally **or internationally** distributed motion pictures as defined in this Section.

(5) "Motion picture" means a nationally **or internationally** distributed feature-length film, video, television **pilot, television series, television movie of the week, animated feature film, animated television series,** or commercial made in Louisiana, in whole or in part, for theatrical or television viewing ~~or as a television pilot~~. The term "motion picture" shall not include the production of television coverage of news and athletic events.

(6) "Motion picture production company" ~~shall mean~~ **means** a company engaged in the business of producing nationally **or internationally** distributed motion pictures as defined in this Section. Motion picture production company shall not mean or include any company owned, affiliated, or controlled, in whole or in part, by any company or person which is in default on a loan made by the state or a loan guaranteed by the state, nor with any company or person who has ever declared

bankruptcy under which an obligation of the company or person to pay or repay public funds or monies was discharged as a part of such bankruptcy.

(7) "Office" means the Governor's Office of Film and Television Development until August 15, 2006; thereafter, the term "office" means the office of entertainment industry development in the Department of Economic Development provided for in R.S. 51:938.1.

(8) ~~"Payroll" shall include all salary, wages, and other compensation, including related benefits sourced or apportioned to Louisiana~~ **means all salary, wages, and other compensation, including benefits paid to an employee for services relating to a state-certified production and taxable in this state. However, "payroll" for purposes of the additional five percent tax credit for Louisiana-resident payroll shall exclude any portion of an individual salary in excess of one million dollars.**

(9) "Production expenditures" means preproduction, production, and postproduction expenditures ~~directly incurred in this state that are directly used in~~ **directly relating to** a state-certified production, including without limitation the following: set construction and operation; wardrobes, ~~make-up~~ **makeup**, accessories, and related services; costs associated with photography and sound synchronization, lighting, and related services and materials; editing and related services; rental of facilities and equipment; leasing of vehicles; costs of food and lodging; digital or tape editing, film processing, transfer of film to tape or digital format, sound mixing, special and visual effects; ~~total aggregate payroll; music, if performed, composed, or recorded by a Louisiana musician, or released or published by a Louisiana-domiciled and headquartered company; airfare, if purchased through a Louisiana-based travel agency or travel company; insurance costs or bonding, if purchased through a Louisiana-based insurance agency; or other similar production expenditures as determined by rule~~ **and payroll.** This term shall not include postproduction expenditures for marketing and distribution, any indirect costs, any amounts that are later reimbursed, **any expenditures for marketing and distribution, non-production related overhead, amounts reimbursed by the state or any other governmental entity,** costs related to the transfer of tax credits, ~~or any amounts that are paid to persons or entities as a result of their participation in profits from the exploitation of the production,~~ **the application fee, or state or local taxes.**

(10) "Resident" or "resident of Louisiana" means a natural person ~~and, for the purpose of determining eligibility for the tax incentives provided by this Chapter, any person domiciled in the state of Louisiana and any other person.~~ **A person** who maintains a permanent place of abode within the state and spends in the aggregate more than six months of each year within the state **shall be presumed to be domiciled in the state.**

(11) "Secretary" means the secretary of the Department of Economic Development.

(12) "Source within the state" means a physical facility in Louisiana, operating with posted business hours and employing at least one full-time equivalent employee.

(13) "State" means the state of Louisiana.

~~(12) (14) "State-certified infrastructure project" shall mean a film, video, television, and digital production and postproduction facility, and movable and immovable property and equipment related thereto, or any other facility which supports and is a necessary component of such proposed state-certified infrastructure project, all as determined and approved by the office, the secretary of the Department of Economic Development, and the division of administration under such terms and~~

1 conditions as are authorized by this Section. The term "infrastructure project" shall
2 not include movie theaters or other commercial exhibition facilities.

3 (13) "State-certified production" shall mean a production approved by the
4 office and the secretary of the ~~Department of Economic Development~~ which is
5 produced by a motion picture production company domiciled and headquartered in
6 Louisiana and which has a viable multi-market commercial distribution plan."

7 AMENDMENT NO. 5

8 On page 1, delete line 17 in its entirety and insert the following:

9 "(1) There is hereby authorized a tax credit against state income tax for
10 Louisiana taxpayers for investment in state-certified productions, ~~other than motion~~
11 ~~picture production companies~~. The tax credit shall be earned by investors at the time
12 expenditures are made by a motion picture production company in a state-certified
13 production. However, credits cannot be applied against a tax or transferred until the
14 expenditures are certified by the office and the secretary of the ~~Department of~~
15 ~~Economic Development~~. For state-certified productions, expenditures shall be
16 certified no more than twice during the duration of a state-certified production unless
17 the motion picture production company agrees to reimburse the office for the costs
18 of any additional certifications. The tax credit shall be calculated as a percentage of
19 the total base investment dollars certified per project.

20 (a) For state-certified productions approved by the office and the secretary
21 on or after January 1, 2004, but before January 1, 2006:

22 (i) If the total base investment is greater than three hundred thousand dollars
23 and less than or equal to eight million dollars, each taxpayer shall be allowed a tax
24 credit of ten percent of the actual investment made by that taxpayer.

25 (ii) If the total base investment is greater than eight million dollars, each
26 taxpayer shall be allowed a tax credit of fifteen percent of the actual investment
27 made by that taxpayer.

28 (iii) The initial certification shall be effective for a period twelve months
29 prior to and twelve months after the date of initial certification, unless the production
30 has commenced, in which case the initial certification shall be valid until the
31 production is completed.

32 AMENDMENT NO. 6

33 On page 2, delete line 3 in its entirety and insert the following:

34 "(i) If the total base investment is greater than three hundred thousand
35 dollars, each investor shall be allowed a tax credit of twenty-five percent of the base
36 investment made by that investor.

37 (ii) To the extent that base investment is expended on payroll for Louisiana
38 residents employed in connection with a state-certified production, each investor
39 shall be allowed an additional tax credit of ten percent of such payroll. However, if
40 the payroll to any one person exceeds one million dollars, this additional credit shall
41 exclude any salary for that person that exceeds one million dollars.

42 (iii) The initial certification shall be effective for a period twelve months
43 prior to and twelve months after the date of initial certification, unless the production
44 has commenced, in which case the initial certification shall be valid until the
45 production is completed."

AMENDMENT NO. 7

On page 2, delete line 14 in its entirety and insert the following:

"(iii) The initial certification shall be effective for a period twelve months prior to and twelve months after the date of initial certification, unless the production has commenced, in which case the initial certification shall be valid until the production is completed.

~~(d) For state-certified productions approved by the office and the secretary on or after July 1, 2012:~~

~~(i) If the total base investment is greater than three hundred thousand dollars, each investor shall be allowed a tax credit of fifteen percent of the base investment made by that investor.~~

~~(ii) To the extent that base investment is expended on payroll for Louisiana residents employed in connection with a state-certified production, each investor shall be allowed an additional tax credit of ten percent of such payroll. However, if the payroll to any one person exceeds one million dollars, this additional credit shall exclude any salary for that person that exceeds one million dollars.~~

~~(iii) The initial certification shall be effective for a period twelve months prior to and twelve months after the date of initial certification, unless the production has commenced, in which case the initial certification shall be valid until the production is completed.~~

~~(e)~~(d) Motion picture investor tax credits associated with a state-certified production shall never exceed the total base investment in that production.

~~(2)(a) Beginning July 1, 2005, and ending on January 1, 2009, there shall be allowed a credit against state income tax for state-certified infrastructure projects which meet the criteria provided for in this Paragraph and which are approved by the office, the secretary of the Department of Economic Development, and the division of administration. The tax credit shall be equal to forty percent of the base investment expended in this state on such project which is in excess of three hundred thousand dollars. The total tax credit allowed for any state-certified infrastructure project shall not exceed twenty-five million dollars, and the tax credit shall be earned and may be structured as provided for in this Paragraph.~~

~~(b)(i) An infrastructure project shall be approved if it is a film, video, television, or digital production or postproduction facility.~~

~~(ii) However, if all or a portion of an infrastructure project is a facility which may be used for other purposes unrelated to production or postproduction activities, then the project shall be approved only if a determination is made that the multiple-use facility will support and will be necessary to secure production or postproduction activity for the production and postproduction facility and the applicant provides sufficient contractual assurances that:~~

~~(aa) The facility will be used as a state-of-the-art production or postproduction facility, or as a support and component thereof, for the useful life of the facility.~~

~~(bb) No tax credits shall be earned on such multiple-use facilities until the production or postproduction facility is complete.~~

~~(c) Tax credits for infrastructure projects shall be earned only as follows:~~

~~(i) Construction of the infrastructure project shall begin within six months of the initial certification provided for in Subparagraph (D)(2)(c) of this Section.~~

~~(ii) Expenditures shall be certified by the office, the secretary, and the division as provided for in Paragraph (D)(2) of this Section, and credits are not earned until such certification.~~

~~(iii) Twenty-five percent of the total base investment provided for in the initial certification of an infrastructure project pursuant to Subparagraph (D)(2)(d) of this Section shall be certified as expended before any credits may be earned.~~

~~(iv) No tax credit shall be allowed for expenditures made for any infrastructure project after December 31, 2008, unless fifty percent of total base investment provided for in the initial certification of the project pursuant to Subparagraph (D)(2)(d) of this Section has been expended prior to that date. The expenditures may be finally certified at a later date.~~

~~(v) For purposes of allowing tax credits against state income tax liability and transferability of the tax credits, the tax credits shall be deemed earned at the time the expenditures are made, provided that all requirements of this Subsection have been met and after the tax credits have been certified.~~

~~(d) The office, the secretary, and the division may require the tax credits to be taken and/or transferred in the tax period in which the credit is earned or may structure the tax credit in the initial certification of the project to provide that only a portion of the tax credit be taken over the course of two or more tax years.~~

~~(3)(2)~~ The credit shall be allowed against the income tax for the taxable period in which the credit is earned or for the taxable period in which initial certification authorizes the credit to be taken. If the tax credit allowed pursuant to this Section exceeds the amount of such taxes due for such tax period, then any unused credit may be carried forward as a credit against subsequent tax liability for a period not to exceed ten years.

~~(4)(3)~~ Application of the credit.

(a) All entities taxed as corporations for Louisiana income tax purposes shall claim any credit allowed under this Section on their corporation income tax return.

(b) Individuals, estates, and trusts shall claim any credit allowed under this Section on their income tax return.

(c) Entities not taxed as corporations shall claim any credit allowed under this Section on the returns of the partners or members as follows:

(i) Corporate partners or members shall claim their share of the credit on their corporation income tax returns.

(ii) Individual partners or members shall claim their share of the credit on their individual income tax returns.

(iii) Partners or members that are estates or trusts shall claim their share of the credit on their fiduciary income tax returns."

AMENDMENT NO. 8

On page 2, at the beginning of line 15, change "(5)" to "(4)"

AMENDMENT NO. 9

On page 2, delete line 18 in its entirety and insert the following:

"(a) A single transfer or sale may involve one or more transferees. The transferee of the tax credits may transfer or sell such tax credits subject to the conditions of this Subsection.

(b) Transferors and transferees shall submit to the office, and to the Department of Revenue in writing, a notification of any transfer or sale of tax credits within thirty days after the transfer or sale of such tax credits. The notification shall include the transferor's tax credit balance prior to transfer, a copy of any tax credit certification letter(s) issued by the office and the secretary of the Department of Economic Development and, ~~in the case of an infrastructure project, to the office, the secretary, and the division of administration, the name of the state-certified production or infrastructure project,~~ the transferor's remaining tax credit balance after transfer, all tax identification numbers for both transferor and transferee, the date of transfer, the amount transferred, a copy of the credit certificate, price paid by the transferee to the transferor, in the case when the transferor is a state-certified ~~production or state-certified infrastructure project,~~ for the tax credits, and any other information required by the office or the Department of Revenue. For the purpose of reporting transfer prices, the term "transfer" shall include allocations pursuant to Paragraph ~~(3)~~ **(2)** of this Subsection as provided by rule. The office may post on its ~~web site~~ website an average tax credit transfer value, as determined by the office and the secretary of the Department of Economic Development to reflect adequately the current average tax credit transfer value. The tax credit transfer value means the percentage as determined by the price paid by the transferee to the transferor divided by the dollar value of the tax credits that were transferred in return. The notification submitted to the office shall include a processing fee of up to two hundred dollars per transferee, and any pricing information submitted by a transferor or transferee shall be treated by the office and the Department of Revenue as proprietary to the entity reporting such information and therefore confidential. However, this shall not prevent the publication of summary data that includes no fewer than three transactions.

(c) Failure to comply with this Paragraph will result in the disallowance of the tax credit until the taxpayers are in full compliance.

(d) The transfer or sale of this credit does not extend the time in which the credit can be used. The carryforward period for credit that is transferred or sold begins on the date on which the credit was ~~originally earned or, in the case of a structured infrastructure credit, the date upon which the credit is allowed to be taken~~ earned.

(e) To the extent that the transferor did not have rights to claim or use the credit at the time of the transfer, the Department of Revenue shall either disallow the credit claimed by the transferee or recapture the credit from the transferee through any collection method authorized by R.S. 47:1561. The transferee's recourse is against the transferor."

AMENDMENT NO. 10

On page 2, at the beginning of line 19, change "(f)~~i~~" to "(f)"

AMENDMENT NO. 11

On page 2, line 21, after "January 1, 2009," delete the remainder of the line and from the beginning of line 22, delete "second year thereafter" and insert "**and ending on June 30, 2009**"

AMENDMENT NO. 12

On page 2, line 23, after "two percent" delete the remainder of the line and at the beginning of line 24, delete "reaches eighty percent" and insert "**for a value of seventy-four percent of the face value of the credits**"

AMENDMENT NO. 13

On page 3, at the beginning of line 3, change "**ii**" to "**g**"

AMENDMENT NO. 14

On page 3, delete line 7 in its entirety and insert the following:

~~(6)~~**(5)** The transferee shall apply such credits in the same manner and against the same taxes as the taxpayer originally awarded the credit.

~~(7)~~**(6)** Notwithstanding any other provision of law, on or after January 1, 2006, a state-certified production which receives tax credits pursuant to the provisions of this Chapter shall not be eligible to receive the rebates provided for in R.S. 51:2451 through 2461 in connection with the activity for which the tax credits were received."

AMENDMENT NO. 15

On page 3, delete lines 9 through 11 in their entirety and insert the following:

"(1)(a) The secretary of the Department of Economic Development and the office shall determine through the promulgation of rules the minimum criteria that a project must meet in order to qualify according to this Section. The secretary, the office, and the division of administration shall determine through the promulgation of rules the minimum criteria that a project must meet in order to qualify according to this Section.

(b) The secretary, the office, and the division of administration shall determine, through the promulgation of rules, an appeals process in the event that an application for or the certification of motion picture production ~~or infrastructure tax credits~~ **tax credit** is denied. The office shall promptly provide written notice of such denial to the Senate Committee on Revenue and Fiscal Affairs and the House Committee on Ways and Means.

(c) ~~Prior to adoption~~ **In addition**, these rules shall be approved by the House Committee on Ways and Means and the Senate Committee on Revenue and Fiscal Affairs **in accordance with the provisions of the Administrative Procedure Act.**

(d) When determining which productions ~~and infrastructure projects~~ **may** qualify, the office and the secretary of the Department of Economic Development ~~and, in the case of infrastructure projects, also the division of administration~~ shall take the following factors into consideration:

(i) The impact of the production ~~or infrastructure project~~ on the immediate and long-term objectives of this Section.

(ii) The impact of the production ~~or infrastructure project~~ on the employment of Louisiana residents.

(iii) The impact of the production ~~or infrastructure project~~ on the overall economy of the state.

(2)(a) Application. An applicant for the motion picture investor credit shall submit an application for initial certification to the office and the secretary of the Department of Economic Development ~~and, in the case of infrastructure projects, to the office, the secretary, and the division of administration~~ that includes the following information:

(i) For state-certified productions the application shall include:

(aa) The multi-market commercial distribution plan.

(bb) A preliminary budget including estimated Louisiana payroll and estimated base investment.

(cc) The script, including a synopsis.

(dd) A list of the principal creative elements, including the cast, producer, and director.

(ee) A statement that the production will qualify as a state-certified production.

(ff) Estimated start and completion dates.

~~(ii) For state-certified infrastructure projects the application shall include:~~

~~(aa) A detailed description of the infrastructure project.~~

~~(bb) A preliminary budget.~~

~~(cc) A complete detailed business plan and market analysis.~~

~~(dd) Estimated start and completion dates.~~

(b) If the application is incomplete, additional information may be requested prior to further action by the office or the secretary of the Department of Economic Development ~~or, in the case of infrastructure projects, the office, the secretary, and the division of administration~~. An application fee shall be submitted with the application based on the following:

(i) 0.2 percent times the estimated total incentive tax credits.

(ii) The minimum application fee is two hundred dollars, and the maximum application fee is five thousand dollars.

(c) The office and the secretary ~~and, in the case of infrastructure projects, the division~~ shall submit their initial certification of a project as a state-certified production ~~or infrastructure project~~ to investors and to the secretary of the Department of Revenue indicating the total base investment which shall be expended in the state on the state-certified production ~~or state-certified infrastructure project~~ ~~and, in the case of state-certified infrastructure projects, when such tax credits may be taken or transferred~~. The initial certification shall include a unique identifying number for each state-certified production.

(d) Prior to any final certification of the state-certified production ~~or infrastructure project~~, the motion picture production company ~~or applicant for the infrastructure project~~ shall submit to the office and the secretary ~~and, in the case of infrastructure projects, to the office, the secretary, and the division~~, a cost report of production ~~or infrastructure project~~ an audit of the production expenditures audited and certified by an independent certified public accountant as determined by rule.

The office and the secretary ~~and, in the case of infrastructure projects, the office, the secretary, and the division shall review the production or infrastructure project expenses and will~~ **shall review the audit, the production expense details, and may require additional information needed to make a determination. Upon approval of the audit, the office and the secretary shall** issue a final tax credit certification letter indicating the amount of tax credits certified for the state-certified production ~~or state-certified infrastructure project~~ to the investors. The rules required by this Subparagraph shall, at a minimum, require that:

(i) The auditor shall be a certified public accountant licensed in the state of Louisiana and shall be an independent third party, not related to the producer.

(ii) The auditor's opinion shall be addressed to the party which has engaged the auditor (e.g., directors of the production company, producer of the production).

(iii) The auditor's name, address, and telephone number shall be evident on the report.

(iv) The auditor's opinion shall be dated as of the completion of the audit fieldwork.

(v) The audit shall be performed in accordance with auditing standards generally accepted in the United States of America and the auditor shall have sufficient knowledge of accounting principles and practices generally recognized in the film and television industry."

AMENDMENT NO. 16

On page 3, at the end of line 14, delete "~~or~~" and at the beginning of line 15, delete "**infrastructure project applicant**"

AMENDMENT NO. 17

On page 3, delete line 29 in its entirety and insert the following:

"(3) The secretary of the Department of Revenue, in consultation with the office and the secretary of the Department of Economic Development ~~and, in the case of infrastructure projects, also the division of administration,~~ shall promulgate such rules and regulations as are necessary to carry out the intent and purposes of this Section in accordance with the general guidelines provided herein.

(4)(i) Any taxpayer applying for the credit shall be required to reimburse the office for any audits required in relation to granting the credit.

(ii)(aa) The production ~~or infrastructure project~~ application fee provided for in Subparagraph (2)(b) of this Subsection received by the office shall be deposited upon receipt in the state treasury. After compliance with the requirements of Article VII, Section 9(B) of the Constitution of Louisiana relative to the Bond Security and Redemption Fund and prior to any money being placed into the general fund or any other fund, an amount equal to that deposited as required by this Item shall be credited by the treasurer to a special fund hereby created in the state treasury to be known as the Entertainment Promotion and Marketing Fund. The money in the fund shall be appropriated by the legislature to be used solely for promotion and marketing of Louisiana's entertainment industry.

(bb) The money in the fund shall be invested by the treasurer in the same manner as money in the state general fund and interest earned on the investment of the money shall be credited to the fund after compliance with the requirements of Article VII, Section 9(B) of the Constitution of Louisiana relative to the Bond

Security and Redemption Fund. All unexpended and unencumbered money in the fund at the end of the year shall remain in the fund.

(5) A motion picture production company applying for the additional credit for the employment of Louisiana residents must remit a schedule to the Department of Revenue, in a machine-sensible format approved by the secretary of the Department of Revenue, that includes the following information: the names of all persons who received salary, wages, or other compensation for services performed in Louisiana in connection with the state-certified production, and the address, taxpayer identification number, permanent address of, and the amount of compensation for services performed in Louisiana received by each such person.

(6) With input from the Legislative Fiscal Office, the office shall prepare a written report to be submitted to the Senate Committee on Revenue and Fiscal Affairs and the House of Representatives Committee on Ways and Means no less than sixty days prior to the start of the Regular Session of the Legislature in 2007, and every second year thereafter. The report shall include the overall impact of the tax credits, the amount of the tax credits issued, the number of net new jobs created, the amount of Louisiana payroll created, the economic impact of the tax credits and film industry, ~~the amount of new infrastructure that has been developed in the state,~~ and any other factors that describe the impact of the program.

(7) ~~Either the~~ **The** Department of Economic Development ~~or the Department of Revenue may audit the cost report~~ **may request an additional audit of the expenditures** submitted by the motion picture production company **at the cost of the motion picture production company.**

(8) As a condition for receiving certification of tax credits under this Section, state-certified productions may be required to display an animated state brand or logo, or both, which includes a fleur de lis as prescribed by the secretary of the Department of Economic Development as long as the animated state brand or logo is not contrary to any rule or regulation of the Federal Communications Commission.

E. Recapture of credits. If the office finds that monies for which an investor received tax credits according to this Section are not invested in and expended with respect to a state-certified production within twenty-four months of the date that such credits are earned, ~~and with respect to a state-certified infrastructure project also within the time provided for in Paragraph (C)(2) of this Section,~~ then the investor's state income tax for such taxable period shall be increased by such amount necessary for the recapture of credit provided by this Section.

F. Recovery of credits by Department of Revenue. (1) Credits previously granted to a taxpayer, but later disallowed, may be recovered by the secretary of the Department of Revenue through any collection remedy authorized by R.S. 47:1561 and initiated within three years from December thirty-first of the year in which the twenty-four-month investment period specified in Subsection E of this Section ends.

(2) The only interest that may be assessed and collected on recovered credits is interest at a rate three percentage points above the rate provided in R.S. 9:3500(B)(1), which shall be computed from the original due date of the return on which the credit was taken.

(3) The provisions of this Subsection are in addition to and shall not limit the authority of the secretary of the Department of Revenue to assess or to collect under any other provision of law."

1 AMENDMENT NO. 18

2 On page 4, at the beginning of line 1, change "Section 3." to "Section 2."